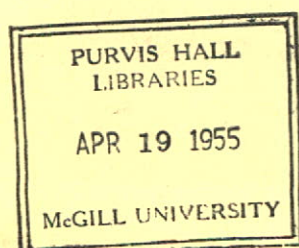


**BRITISH COLUMBIA
POWER CORPORATION
LIMITED**

**ANNUAL
REPORT**



1932



BRITISH COLUMBIA POWER CORPORATION
LIMITED

ANNUAL REPORT

For the year ended June 30th
1932

1932

BRITISH COLUMBIA POWER CORPORATION LIMITED

Officers

W. G. MURRIN	-	-	-	-	-	-	-	-	-	-	<i>President</i>
A. T. GOWARD	-	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
E. H. ADAMS	-	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
J. I. NEWELL	-	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
E. ROGERS	-	-	-	-	-	-	-	-	-	-	<i>Secretary</i>
E. H. ADAMS	-	-	-	-	-	-	-	-	-	-	<i>Treasurer</i>

Directors

HON. SIR F. S. BARNARD, K.C.M.G.	SIR HERBERT HOLT
C. E. CALDER	GEORGE KIDD
JOHN DAVIDSON	W. G. MURRIN
S. GODIN, JR.	A. J. NESBITT
A. T. GOWARD	RT. HON. VISCOUNT ROTHERMERE
J. H. GUNDY	P. A. THOMSON
ANDREW P. HOLT	W. J. BLAKE WILSON
J. B. WOODYATT	

ROYAL BANK OF CANADA	-	-	-	-	-	-	-	-	-	<i>Bankers</i>
ROYAL TRUST COMPANY	-	-	-	-	-	-	-	-	-	<i>Registrar</i>
MONTREAL TRUST COMPANY	-	-	-	-	-	-	-	-	-	<i>Transfer Agent</i>
PRICE, WATERHOUSE & CO.	-	-	-	-	-	-	-	-	-	<i>Auditors</i>

Head Office of the Corporation
B. C. ELECTRIC BUILDING
Vancouver, B. C., Canada

FACTS ABOUT YOUR CORPORATION AND ITS SUBSIDIARIES

(As at June 30, 1932)

1. It serves a territory of over 1,500 square miles;
2. It renders service to a population of over 385,000, embracing 27 different communities;
3. It has 9 hydro-electric plants and 4 steam plants;
4. It has 66 substations and transformer stations;
5. It has 573 miles of high-tension transmission lines;
6. It has 2,159 miles of distribution pole lines;
7. It has 40 city street car and bus routes;
8. It has 4 interurban lines;
9. It employs 3,500 people;
10. It paid out in wages and salaries during the year more than \$5,500,000;
11. It operates 192 miles of street car lines;
12. It operates 159 miles of interurban car lines, a total of 351 miles;
13. It operates 421 city and interurban passenger cars;
14. It operates 12 electric locomotives;
15. It operates 435 express freight and service cars;
16. It operates 63 motor buses and 21 motor freight trucks;
17. It operates 446 miles of motor bus and 103 miles of motor freight service;
18. It operated 17,695,079 passenger car and bus miles during the year;
19. The power generated by its power plants during the year totalled 485,651,793 K.W.H.;
20. It operates 11 stores for the sale of electric and gas appliances;
21. It has 2 gas plants, with a total daily capacity of 9,100,000 cubic feet.

BRITISH COLUMBIA POWER CORPORATION LIMITED

NOTICE OF ANNUAL GENERAL
MEETING OF SHAREHOLDERS

Vancouver, September 13, 1932.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of the British Columbia Power Corporation Limited will be held in the Auditorium of the B. C. Electric Building, 602 Granville Street, Vancouver, B. C., on Thursday, the 29th day of September, 1932, at the hour of 11.30 o'clock a.m.:

- (1) To receive the Annual Report of the Directors;
- (2) To receive the audited Balance Sheet made up to June 30, 1932, and Statement of Income and Expenditure for the financial period ending on that date;
- (3) To elect Directors for the ensuing year;
- (4) To appoint Auditors for the ensuing year; and
- (5) For the transaction of such other business as may legally come before the meeting.

By Order of the Board of Directors,

ERNEST ROGERS,

Secretary.

BRITISH COLUMBIA POWER CORPORATION LIMITED

Owns and controls the following companies:

BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED.

BRITISH COLUMBIA ELECTRIC POWER & GAS COMPANY, LIMITED.

VANCOUVER POWER COMPANY, LIMITED.

WESTERN POWER COMPANY OF CANADA, LIMITED.

BRIDGE RIVER POWER COMPANY, LIMITED.

BURRARD POWER COMPANY, LIMITED.

VANCOUVER ISLAND POWER COMPANY, LIMITED.

NATIONAL UTILITIES CORPORATION, LIMITED.

VANCOUVER, FRASER VALLEY & SOUTHERN RAILWAY COMPANY.

COLUMBIA ESTATE COMPANY, LIMITED.

BRITISH COLUMBIA RAPID TRANSIT COMPANY, LIMITED.

VICTORIA ELECTRIC COMPANY, LIMITED.

VICTORIA GAS COMPANY, LIMITED.

ANNUAL REPORT
of the Directors of
**BRITISH COLUMBIA POWER
CORPORATION LIMITED**

Submitted at the Fourth Annual Meeting of the Shareholders held on
Thursday, 29th September, 1932

TO THE SHAREHOLDERS:

Your Directors beg to submit the following Report and Financial Statements covering the operations of your Company and its Subsidiaries for the year ended 30th June, 1932.

INCOME AND EXPENSE STATEMENT

Gross Revenue \$14,356,841.50

EXPENSES:

Operating Expenses	\$6,642,903.44
Income and Property Taxes.....	1,324,294.90
Depreciation and Renewals Reserve.....	1,869,804.50
	9,837,002.84

Net Revenue \$ 4,519,838.66

Deduct—

Bond Interest, proportion of Bond Discount written off and Preference Dividends	2,510,499.29
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\$ 2,009,339.37

Dividends on Class A Shares for the year.....	2,000,000.00
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Surplus for the year	\$ 9,339.37
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REVENUE

The income and expense statement included in this report shows a reduction in gross income from all sources of \$763,104.00, or 5.05%, as compared with the previous year. The present depression in business has affected the revenues of all departments, but more particularly the revenue from transportation services, which shows a decrease of 10.8%.

During the year approximately 2,900 additional electric customers were connected to our system, which, together with the intensive merchandising of current consuming electrical appliances, has helped to offset the reduction in the use of industrial power.

EXPENSES

Every effort has been made to curtail expenses, and, as a result of the economical measures introduced, the accounts show a reduction of \$589,081.00 in the expenses of operation and maintenance.

NET REVENUE AND SURPLUS

After providing for all fixed charges and dividend requirements, there is a surplus from the year's operations of \$9,339.00.

PLANT ADDITIONS AND BETTERMENTS

Notwithstanding the curtailment in manufacturing plants with the closing down of many industries engaged in the manufacture of lumber products, as well as the inactivity in the building trades, the Company has during the year made expenditures amounting to over \$1,700,000.00 on plant improvements and extensions in the hope that with the revival of general business these extensions will prove profitable.

The only major plant addition at present under construction is the extension to the gas manufacturing plant on the mainland, on which \$512,502.00 was spent during the year, and which, when completed, will have a manufacturing capacity of 3,000,000 cubic feet per day.

GENERAL OPERATIONS

LIGHT AND POWER SYSTEM—Owing to the unsatisfactory conditions still prevailing in the lumber and mining industries and the reduced output from many manufacturing plants, the demand for industrial power has decreased, with the result that the amount of power sold shows a decrease over the previous year in spite of the fact that the number of consumers and the horsepower of connected loads have both increased.

	K.W.H.	CONSUMERS	MOTOR LOAD IN H.P.
1932	346,549,095	121,169	159,839
1931	372,282,045	118,267	157,100
1930	351,047,572	110,436	151,244
1929	342,627,810	105,908	141,378
1928	290,405,805	100,337	128,341

GAS SYSTEM—The quantity of gas sold during the past year shows an increase of over 40,000,000 cubic feet over the preceding year. This increase was in part

due to the extension of gas services, particularly in the suburban areas. An additional eighteen miles of gas mains were laid during the year, largely in the suburban areas and in extending this service to North Vancouver. Unfortunately it has not been possible to bring this latter extension into operation owing to the damage to the Second Narrows Bridge across Burrard Inlet. When the damaged section of the bridge has been restored, a number of additional customers will be served with gas. The following figures relate to the results of the Gas Department:

	GAS SOLD CUBIC FEET	GAS CONSUMERS	MILES OF MAINS
1932	1,313,074,000	50,728	590.17
1931	1,272,870,000	50,697	572.42
1930	1,263,048,000	48,307	539.02
1929	1,192,433,000	45,163	491.33
1928	1,070,810,000	41,144	441.92

RAILWAY SYSTEM—In common with other electric railways throughout the country, the continued decline in industrial activity and employment has been reflected by a substantial decrease in our general railway business and in the number of passengers carried on our lines. Notwithstanding this decline it has been our constant endeavour to conserve the business available by maintaining and improving, as far as could be justified by conditions, the frequency and efficiency of our services.

The agreement with the City of Vancouver with regard to the fares to be charged expired in November, 1931, and, as a result of prolonged negotiations with the Vancouver City Council, an amicable settlement has been arrived at, under which the fares to be charged are fixed for three years from the expiration of the old agreement.

The Freight Department tonnage and receipts, in common with all steam railways, show a heavy decline owing to the reduced movement of lumber products and the smaller quantity of incoming transcontinental freight brought into the districts served by our interurban freight lines.

The passengers carried and freight tonnage compare with previous years as follows:

	PASSENGERS CARRIED	FREIGHT TONNAGE
1932	69,862,419	249,285
1931	74,249,659	343,320
1930	76,113,550	454,111
1929	77,694,731	533,391
1928	77,063,656	487,896

TAXATION

The burden of increased taxation has been a particularly serious one for the Company during the past year. Changes in the Taxation Act of British Columbia alone resulted in an addition of \$163,000.00 to the annual Provincial income tax, and an increase in the rates of the Dominion income tax resulted in a further addition to our income taxes of \$110,000.00. These increases in taxation have, of course, had to be provided out of the current year's revenue.

The following is a comparison of the taxes imposed by the Dominion, Provincial and Municipal authorities during the last five years:

1932	\$1,324,295.00
1931	994,438.00
1930	965,169.00
1929	934,985.00
1928	891,143.00

In addition to the increases in income taxes, there are also substantial increases in many other taxes which have added considerably to the cost of operation, over which the Company has no control. These increases come through additions to the sales tax on materials, gasoline tax, stamp taxes and fuel oil tax, all of which in the aggregate amount to a very considerable sum.

It will be seen from the foregoing figures that the proportion of the net revenue absorbed in the payment of taxes is an unusually high one, and while there can be no possible objection to contributing a fair and just amount towards the cost of administering the affairs of the country, it must be recognized that any amount in excess of this is an unfair burden on the industry and can only be collected by the Company through the medium of rates and charges for the services performed.

EMPLOYEES

The Directors desire to refer to the harmonious relationship existing in all departments, and to express their appreciation to the employees for their loyalty and the efficient manner in which they have carried out their duties.

MAINTENANCE OF PROPERTY AND PLANT

The properties and plants of the various operating companies have been maintained in the same high state of efficiency as heretofore, due regard being given to the comfort and needs of the Public whom we serve.

GENERAL

Notwithstanding the severity of the present depression which has affected every branch of the Company's business, the Balance Sheet presented herewith shows the Company to be in a sound financial condition, and in this regard attention may be drawn to the fact that our current assets, as shown by the Balance Sheet, amount to a total of over \$7,000,000.00, whereas the current liabilities are approximately \$3,500,000.00.

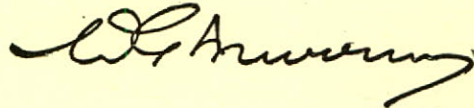
Many important problems affecting the general welfare of the Company have been discussed with the Provincial, Civic and Municipal authorities, and, while every effort was made to impress the authorities with the seriousness of any additional burden which was to be imposed on the Company, realizing the difficulties with which the governing authorities are faced, your Board feel it a pleasure to be able to refer to the friendly and harmonious manner in which all our public negotiations have been carried on.

The prosperity of the Company is inseparably bound up with the well-being of the Province, and of the industries and businesses within the Province, and we have endeavoured to further these interests by purchasing the large quantities of materials and supplies required for the carrying on of our business from within the territory served wherever possible.

AUDIT OF ACCOUNTS

The Balance Sheet and Accounts have been certified by Messrs. Price, Waterhouse & Co., Chartered Accountants.

Respectfully submitted on behalf of the Board,

A handwritten signature in dark ink, appearing to read 'W. L. Anson', written in a cursive style.

President.

BRITISH COLUMBIA POWER
AND SUPPLY

Consolidated Balance Sheet

ASSETS

CURRENT AND WORKING ASSETS:

Cash at Bank and at Call.....	\$2,316,416.48
Accounts Receivable	1,538,295.80
Insurance Unexpired and Prepaid Items.....	157,466.50
Employees' Housing Loans, Mortgages, etc.....	588,697.75
Stores, Materials and Supplies.....	1,891,330.79
	\$6,492,207.32
Investments at Book Value (market value at June 30, 1932, \$954,484.70).....	1,469,196.98
	\$ 7,961,404.30

SINKING FUND—VANCOUVER POWER CO. LTD. 4½% DEBENTURES:

Cash and Securities in hands of Trustees.....	361,326.38
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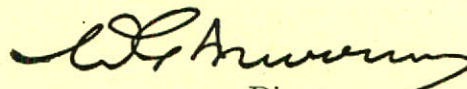
BOND DISCOUNT—Balance	343,448.00
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PROPERTY ACCOUNT:

Balance as at June 30, 1931, and additions during year.....	136,562,072.42
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\$145,228,251.10

Approved on behalf of the Board,


Director.


Director.

CORPORATION LIMITED

SIDIARIES

as at June 30, 1932

LIABILITIES

CURRENT AND ACCRUED LIABILITIES:

Accounts Payable, including reserve for Income	
Taxes	\$2,269,144.82
Debenture and Bond Interest accrued	507,743.03
Dividends declared, since paid	749,600.00
	\$ 3,526,487.85

BONDED DEBT (as per statement attached)	39,004,716.26
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CAPITAL STOCKS OF SUBSIDIARY COMPANIES HELD BY PUBLIC:

<i>British Columbia Electric Railway Co. Ltd.—</i>	
5% Cumulative Perpetual Preference	
Stock	\$6,984,000.00

<i>British Columbia Electric Power & Gas Co. Ltd.—</i>	
6% Cumulative Preference Shares	5,000,000.00
Minority Shareholders of Subsidiary Companies	3,446.25
	11,987,446.25

RESERVES:

Depreciation and Renewals	\$22,421,200.29
General and Accident	1,450,522.94
	23,871,723.23

CAPITAL STOCK AND SURPLUSES (as per statement attached)	66,837,877.51
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Represented by—

1,000,000 Class A Shares and 1,000,000 Class B Shares, part of an authorized issue of 1,500,000 Class A Shares and 1,500,000 Class B Shares, both classes without nominal or par value.

\$145,228,251.10

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Books and Accounts of the British Columbia Power Corporation Limited and its Subsidiary Companies for the year ended June 30, 1932, and have obtained all the information and explanations which we have required, and we report that, in our opinion, the above Consolidated Balance Sheet as at June 30, 1932, is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation and its Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

VANCOUVER, B. C.,
August 18, 1932.

PRICE, WATERHOUSE & CO.,
Chartered Accountants.

BRITISH COLUMBIA POWER CORPORATION LIMITED
AND SUBSIDIARIES

*Capital Stock and Consolidated Surplus and Profit and Loss Account
as at June 30, 1932*

CAPITAL STOCK AND SURPLUSES:

Balance as at June 30, 1931..... \$65,365,764.59

PROFIT AND LOSS ACCOUNT:

Balance as at June 30, 1931..... \$1,462,773.55

YEAR ENDED JUNE 30, 1932—

Gross Revenue \$14,356,841.50

Less—

Operating Expenses,
including Municipal Taxes..... \$7,287,332.73

Provision for De-
preciation and
Renewals 1,869,804.50

Provision for In-
come Taxes 679,865.61

9,837,002.84

Net Revenue \$ 4,519,838.66

Deduct—

Interest on Bonded Debt, propor-
tion of Bond Discount written
off and Dividends on Preference
Stocks of Subsidiary Companies 2,510,499.29

2,009,339.37

\$3,472,112.92

Deduct—

Dividends on Class A Shares for the year ended
June 30, 1932..... 2,000,000.00

1,472,112.92

Balance carried forward..... \$66,837,877.51

BRITISH COLUMBIA POWER CORPORATION LIMITED
AND SUBSIDIARIES

Bonded Debt as at June 30, 1932

BRITISH COLUMBIA POWER CORPORATION LTD.:

5½% First Refunding and Collateral Trust Sinking
Fund Gold Bonds, Series "A," maturing March 1,
1960—

Authorized and Issued \$10,000,000.00

5% First Refunding and Collateral Trust Sinking
Fund Gold Bonds, Series "B," maturing March 1,
1960—

Authorized and Issued 4,000,000.00

.....\$14,000,000.00

BRITISH COLUMBIA ELECTRIC RAILWAY CO. LTD.:

4¼% Perpetual Consolidated Debenture Stock£2,788,170 0 0

@ \$4.85 13,522,624.50

VANCOUVER POWER CO. LTD.:

First Mortgage 4½% Debentures—

Authorized and Issued£ 220,000 0 0

Less—

Pledged as collateral security for
4¼% Perpetual Consolidated
Debenture Stock of British
Columbia Electric Railway

Co. Ltd.£105,700 0 0

Purchased for Sinking Fund 13,000 0 0

Redeemed 68,800 0 0

187,500 0 0

£ 32,500 0 0

4¼% Perpetual Guaranteed Debenture Stock—

Authorized £1,917,350, of which issued 1,500,000 0 0

£1,532,500 0 0

@ \$4.85 7,432,625.00

WESTERN POWER CO. OF CANADA LTD.:

First Mortgage 5% Sinking Fund Gold Bonds,
maturing July 1, 1949—

Authorized and Issued \$ 5,000,000.00

Less—

Redeemed\$619,233.24

Held by British Columbia

Electric Railway Co. Ltd. 331,300.00

950,533.24

4,049,466.76

As per Consolidated Balance Sheet\$39,004,716.26

